

Victor Valley Economic Development Authority Project Area

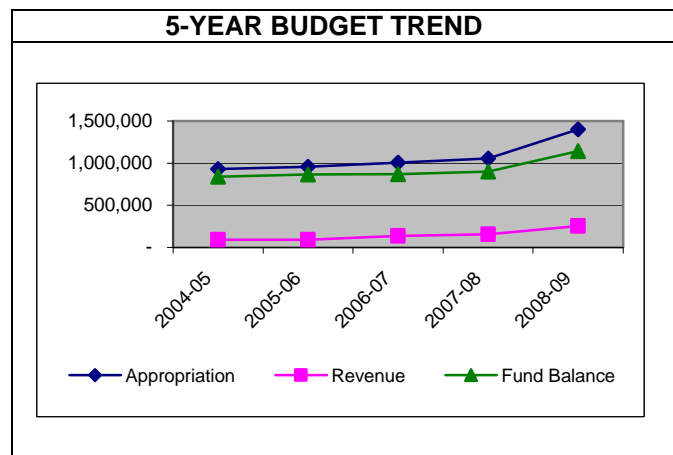
DESCRIPTION OF MAJOR SERVICES

In 1993, the *Victor Valley Economic Development Authority* (VVEDA), a joint powers authority, was established for the purpose of providing economic development in and around the former George Air Force Base. Five jurisdictions oversee the economic development of the area, which include: the Cities of Victorville, Hesperia and Adelanto, the town of Apple Valley, and the County of San Bernardino. The recent eighth amendment to the project area increased total acreage to 90,236 acres. The same amendment also increased the unincorporated portion of VVEDA to approximately 22,472 acres. VVEDA is administered by the City of Victorville.

Included in this project area are housing funds, which are used to conserve and/or expand the supply of affordable housing to low and moderate-income households. Based on regulations, 20% of the gross tax increment revenues are set aside and used for affordable housing.

There are no budgeted positions assigned to this project area, however administrative and staffing costs are allocated to this project area based upon time studies.

BUDGET HISTORY



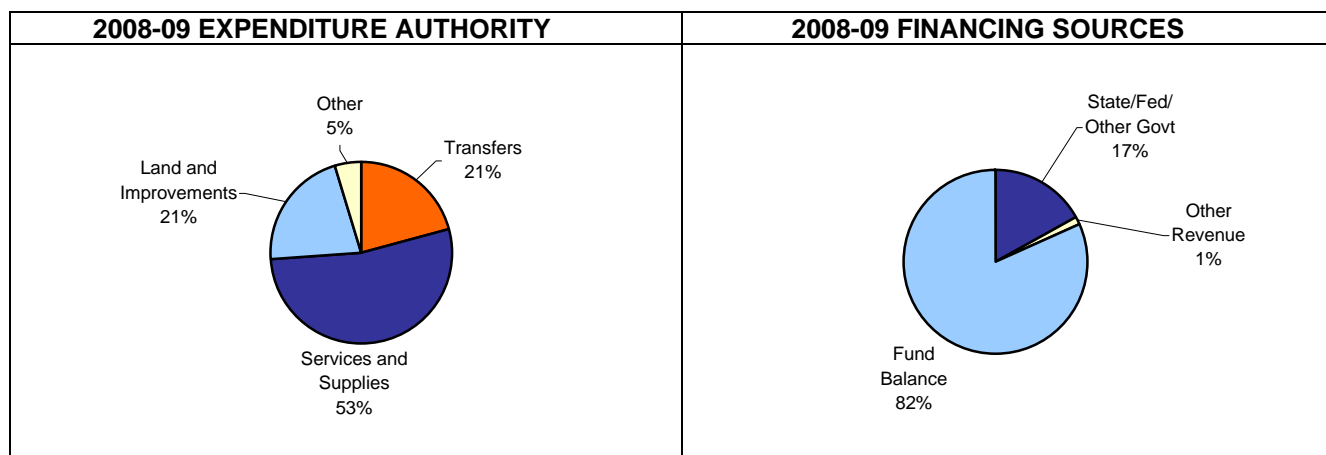
The trend for the VVEDA budget represents a small increase over the past four years. For 2008-09, the lead agency estimates of tax increment revenue for the project area increased from prior year by over 150%.

PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Estimate
Appropriation	47,425	145,867	178,158	1,056,238	137,876
Departmental Revenue	37,465	56,508	210,566	155,550	381,659
Fund Balance				900,688	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, expenditures in these funds are typically less than budget. The amount not expended is carried over to the subsequent year's budget.

Departmental revenue is estimated to be greater than budget in 2007-08 due to anticipated increases in interest revenue and tax increment revenue.

ANALYSIS OF PROPOSED BUDGET

GROUP: Economic Development
DEPARTMENT: Redevelopment Agency
FUND: Victor Valley Economic Development Authority Project Area

BUDGET UNIT: MPV, MPW
FUNCTION: General
ACTIVITY: Other General

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Estimate	2007-08 Final Budget	2008-09 Proposed Budget	Change From 2007-08 Final Budget
Appropriation							
Services and Supplies	31,649	61,334	96,477	200	879,200	743,774	(135,426)
Other Charges	(8,532)	-	15,082	60,024	20,000	66,650	46,650
Land and Improvements	-	-	-	-	-	300,000	300,000
Transfers	24,308	84,533	66,599	77,652	157,038	290,152	133,114
Total Appropriation	47,425	145,867	178,158	137,876	1,056,238	1,400,576	344,338
Departmental Revenue							
Use Of Money and Prop	17,163	28,666	40,233	35,100	17,450	17,450	-
State, Fed or Gov't Aid	20,302	27,842	170,333	346,559	138,100	238,655	100,555
Total Revenue	37,465	56,508	210,566	381,659	155,550	256,105	100,555
Fund Balance					900,688	1,144,471	243,783

Services and supplies of \$743,774 represent undesignated fund balance. Services and supplies decreased by \$135,426 due to anticipated increases in land purchases.

Other charges of \$66,650 represent administrative charges paid to the Victor Valley Economic Development Authority. Other charges has increased by \$46,650.

Land and improvements of \$300,000 include costs associated with commercial and/or industrial land acquisitions.

Transfers of \$290,152 include administrative charges paid to the Speedway administrative fund. The increase of \$133,114 is due to the development of new programs in the VVEDA project area.

Departmental revenue of \$256,105 consists of tax increment revenue distributed by the lead agency and revenue from interest. The increase in revenue of \$100,555 represents increases in tax increment revenue. Lead agency estimates of tax increment revenue for the project area increased from prior year by 73%. Due to this significant increase, projects will be identified as actual tax increment is received by the agency.

